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Subject: Provincial budget summary

Dear Mayor and Council,

Earlier today, the Province of BC released its 2021 Budget – A Stronger BC for Everyone. The \$69 billion budget included an updated forecast deficit of \$8.1 billion for 2020-21, down from the Fall 2020 projection of \$13.6 billion. The stronger economic footing is based on higher-than-expected revenues, including tax revenue as a result of strong housing and retail sales, and moderately lower spending.

The budget includes new baseline funding to address increased demand for essential public services including health care, opioid and substance use prevention, public education, justice and public safety as well as continuing to advance on key priorities like child care, poverty reduction, housing and CleanBC.

A summary of funding highlights that support the City of Vancouver priorities can be found below.

Mental health and addictions - \$500 million in new funding to expand mental health and addiction services, billed as the largest mental health investment in BC History, including:

- \$330 million to provide a full spectrum of substance-use treatment and recovery services, including opioid treatment
- \$97 million to build a network of mental health supports for youth through increased mental health funding for schools, new Foundry centres and integrated child and youth supports teams for 15 more school districts
- \$61 million to improve access and quality of mental health services
- \$14 million for the First Nations Health Authority to deliver mental health and addictions services to Indigenous peoples
- 195 new substance use treatment and recovery beds throughout the province to help more people get on a path to recovery
- There was no money set aside in the budget for complex care housing; however, the province confirmed that the finance minister has funds set aside in contingency for this form of housing

Poverty reduction and homelessness:

- A \$175 a month increase to income and disability assistance rates` the largest ever permanent increase and representing a 53% increase to income assistance since 2017

- The Senior.s Supplement will be doubled (\$50), benefitting up to 80,000 low-income seniors –the first increase since it was introduced in 1987
- Funding to ensure the continuation of the more than 3,000 temporary emergency shelter and hotel spaces that provide a safe place with supports to go during the pandemic
- New funding to create another 388 new permanent shelter spaces in communities across the province

Child care:

- \$233 million in additional funding over the next three years for Childcare BC
- Doubling the number of \$10-a-day child care spaces, which means 75 more child care centres and the thousands of families who rely on them will benefit from the program
- \$20 million will support additional health and safety grants to child-care providers to ensure centres remain safe through increased cleaning supplies, personal protective equipment or space improvements

Climate, including clean transportation:

- \$96 million for the CleanBC Program to reduce emissions
- \$60 million to support the Centre for Innovation and Clean Energy
- \$11 million to develop and fund a new program for local governments to plan for compact, energy efficient communities
- \$6 million to support the first phase of B.C. s Climate Preparedness and Adaptation Strategy to better respond to climate risk and reduce the impact of climate change over time
- \$94 million in the Go Electric program, which provides rebates for purchases of zero-emissions vehicles, charging stations and supports the commercialization of heavy-duty vehicles
- \$18 million to support active transportation infrastructure like bike lanes, sidewalks, and multi-use pathways
- A PST exemption on electric bikes that will save British Columbians an estimated \$7 million annually
- \$10 million to further develop policy on reducing the carbon intensity of fuel and developing the hydrogen economy here in B.C.

Reconciliation:

- \$60 million in annual base funding to the Ministry of Indigenous Relations and Reconciliation to support Indigenous participation in land and resource activities, including negotiations, and engagement on legislation, policy and programs
- \$45 million to support culturally safe health services and more Indigenous liaisons in each regional health authority to improve health access and services for Indigenous peoples
- \$14 million for the First Nations Health Authority to deliver targeted mental health

and addictions services to Indigenous peoples throughout B.C.

Some further highlights of Budget 2021 include:

- \$26.4 billion (an increase of \$3.5 billion) in infrastructure investments which are expected to create over 85,000 jobs over the next three years
- \$900 million to support the Province's ongoing response to the COVID-19 pandemic
- \$800 million in ongoing business supports
- Free public transit for children 12 and under starting in September
- \$120 million for tourism recovery including \$20 million for community destination development grants for local communities
- Doubling of the Arts Infrastructure Program, which will provide \$6 million in capital improvement grants to support arts and culture organization recovery

The budget also confirmed some significant expenditures that had been announced in the previous weeks, including:

- \$2 billion in development financing, through the Housing Hub, to build 9,000 new homes for middle-income families
- \$500 million for InBC, a new strategic investment fund that will deliver economic, environmental and social returns by helping high-potential businesses grow in BC
- \$83 million investment in BC Parks over the next three years
- \$43.6 million to launch a skills training and job opportunity program for young workers

UBCM's budget analysis can be found [here](#)

All of the budget documents can be read [here](#)

Best,
Paul

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The City of Vancouver acknowledges that it is situated on the unceded traditional territories of the xʷməŋəm (Musqueam), ləwəwú 7mesh (Squamish), and səlilwətəł (Tsleil-Waututh) Nations.